BANKRUPTCY REFORM/Protecting Patients in Failing Nursing Homes

Bankruptcy Reform Act of 1999 . . . S. 625. Grassley modified amendment No. 1730. SUBJECT:

ACTION: AMENDMENT AGREED TO, 94-0

SYNOPSIS: As reported, S. 625, will enact reforms to prevent creditors who have the means of paying their debts from unjustly filing for bankruptcy, will enact reforms to protect consumers from unfair credit practices, and will enact business bankruptcy reforms. It is similar to the bipartisan bill debated last session (see 105th Congress, 2nd session, vote No. 313).

The Grassley modified amendment would enact several reforms to protect the patients of nursing homes that enter bankruptcy. Reforms would include the following: a bankruptcy judge would be required to appoint an ombudsman to act as an advocate for patients during bankruptcy proceedings; patients' records would have to be stored in accordance with State law, returned to the patients or insurance providers (if applicable law allowed the return to the insurance providers), or destroyed; and a trustee would have to use all reasonable and best efforts to transfer patients from a closing nursing home to another appropriate health care facility.

Those favoring the amendment contended:

Bankruptcy proceedings generally and rightly focus on making bankrupts paying that portion of their debt which they are able to repay and then erasing any remaining debt. That focus is too narrow when dealing with nursing home failures. When a nursing home fails, care needs to be taken to protect the needs of the elderly patients of that nursing home. Under current law such patients are not being adequately protected. We know of cases where patients have been literally wheeled out into the streets to be picked up by loved ones. In less extreme cases, health care quality has suffered as trustees have taken over nursing homes and cut costs. Yet another problem is that bankruptcy courts are not expert in patient privacy laws and do not give the protection for medical records that is needed. This amendment would solve these problems. Most importantly, it would require the appointment of a patient ombudsman in every nursing home bankrupcty proceeding. Other important provisions include that new protections would be

(See other side)

YEAS (94)				NAYS (0)		NOT VOTING (5)	
Republican (53 or 100%)		Democrats (41 or 100%)		Republicans (0 or 0%)	Democrats (0 or 0%)	Republicans	Democrats
						(1)	(4)
Abraham Allard Ashcroft Bennett Bond Brownback Bunning Burns Campbell Chafee, Lincoln Cochran Collins Coverdell Craig Crapo DeWine Domenici Enzi Frist Gorton Grams Grassley Gregg Hagel Hatch Helms Hutchinson	Hutchison Inhofe Jeffords Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob Smith, Gordon Snowe Specter Stevens Thomas Thompson Thurmond Voinovich Warner	Akaka Baucus Bayh Biden Bingaman Boxer Breaux Bryan Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Edwards Feingold Feinstein Graham Harkin Inouye	Johnson Kennedy Kerrey Kerry Kohl Landrieu Levin Lieberman Lincoln Mikulski Murray Reed Reid Robb Rockefeller Sarbanes Schumer Torricelli Wellstone Wyden			VOTING PR Fitzgerald EXPLANAT 1—Official B 2—Necessari 3—Illness 4—Other SYMBOLS: AY—Annour AN—Annour PY—Paired N	ION OF ABSENCE usiness ly Absent acced Yea acced Nay Yea

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enacted for medical records, and trustees would be required to use all reasonable and best efforts to move patients from nursing homes that were closed in bankruptcy proceedings to new nursing homes. Rising health care costs are creating a crisis situation for many nursing homes in America, and they are failing at an increasingly greater rate. This amendment would not solve the problem of those failures, but it will provide protections for patients of nursing homes that go bankrupt. We urge our colleagues to give this amendment their unanimous support.

No arguments were expressed in opposition to the amendment.